

1-1 By: Nevárez (Senate Sponsor - Lucio) H.B. No. 2369  
1-2 (In the Senate - Received from the House May 5, 2017;  
1-3 May 8, 2017, read first time and referred to Committee on  
1-4 Agriculture, Water & Rural Affairs; May 18, 2017, reported  
1-5 favorably by the following vote: Yeas 5, Nays 0; May 18, 2017, sent  
1-6 to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	<u>Perry</u>	X			
1-10	<u>Rodríguez</u>	X			
1-11	<u>Creighton</u>			X	
1-12	<u>Hall</u>	X			
1-13	<u>Hinojosa</u>	X			
1-14	<u>Kolkhorst</u>			X	
1-15	<u>Miles</u>	X			

1-16 A BILL TO BE ENTITLED  
1-17 AN ACT

1-18 relating to municipal fees charged to public school districts for  
1-19 water and sewer service.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. The legislature finds that the imposition of  
1-22 fees for water service that are based on the number of students or  
1-23 employees of a public school district diverts to other purposes  
1-24 money appropriated in accordance with Section 1, Article VII, Texas  
1-25 Constitution, for the education of students. For that reason, the  
1-26 imposition of fees on those bases by a political subdivision  
1-27 violates the Texas Constitution.

1-28 SECTION 2. The heading to Section 13.044, Water Code, is  
1-29 amended to read as follows:

1-30 Sec. 13.044. RATES CHARGED BY MUNICIPALITY TO CERTAIN  
1-31 SPECIAL DISTRICTS [~~DISTRICT~~].

1-32 SECTION 3. Subchapter C, Chapter 13, Water Code, is amended  
1-33 by adding Section 13.0441 to read as follows:

1-34 Sec. 13.0441. FEES CHARGED BY MUNICIPALITY TO PUBLIC SCHOOL  
1-35 DISTRICTS. (a) This section applies only to fees charged by a  
1-36 municipality for water or sewer service to a public school  
1-37 district.

1-38 (b) Notwithstanding the provisions of a resolution,  
1-39 ordinance, or agreement, a public school district charged a fee  
1-40 that violates Section 13.088 may appeal the charge by filing a  
1-41 petition with the utility commission. The utility commission shall  
1-42 hear the appeal de novo, and the municipality charging the fee has  
1-43 the burden of proof to establish that the fee complies with Section  
1-44 13.088. The utility commission shall fix the fees to be charged by  
1-45 the municipality in accordance with this chapter, including Section  
1-46 13.088.

1-47 SECTION 4. Subchapter D, Chapter 13, Water Code, is amended  
1-48 by adding Section 13.088 to read as follows:

1-49 Sec. 13.088. MUNICIPAL FEES FOR PUBLIC SCHOOL DISTRICTS. A  
1-50 municipally owned utility that provides retail water or sewer  
1-51 utility service to a public school district may not charge the  
1-52 district a fee based on the number of district students or employees  
1-53 in addition to the rates the utility charges the district for the  
1-54 service.

1-55 SECTION 5. This Act takes effect immediately if it receives  
1-56 a vote of two-thirds of all the members elected to each house, as  
1-57 provided by Section 39, Article III, Texas Constitution. If this  
1-58 Act does not receive the vote necessary for immediate effect, this  
1-59 Act takes effect September 1, 2017.

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